



UNDER SECRETARY OF DEFENSE
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May 21, 1997

MEMORANDUM FOR UNDER SECRETARIES OF DEFENSE
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INFO COPY: SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF


SUBJECT: Management Reform Memorandum #5 -- Disposal of Excess Government-owned Property

In conjunction with the Secretary's efforts to undertake a revolution in business practices, I am asking the Commander of the Defense Contract Management Command (DCMC) to develop a plan to eliminate excess government-owned property under the stewardship control of defense contractors. The Under Secretary of Defense (A&T) has established an integrated process team to assess what changes need to be made in DoD acquisition policies regarding government property. To parallel that effort, I am asking the Commander, DCMC, to develop, in conjunction with the Military Departments and Defense Agencies, a method to determine what equipment currently in storage is no longer needed and how best to eliminate equipment/stocks for which the inherent economic value does not match ongoing storage/maintenance costs.

The Commander, DCMC, is authorized to initiate such research (to include data calls inside the Department) as necessary to develop a disposal plan. I have asked the Commander to submit a coordinated plan to my office by September 1, with a goal of disposing of all excess property by January 1, 2000.

Your cooperation in supporting this analysis will be appreciated.

In approximately two weeks from the date of this memorandum, I will have my secretary arrange for a meeting with the Commander, DCMC, to obtain a status on how this effort is proceeding.


John I. Hamre